

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 3130-04  
BILL NO.: HCS for SCS for SB 719  
SUBJECT: Compacts: Missouri and Kansas  
TYPE: Original  
DATE: April 7, 2000

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**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

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**FISCAL ANALYSIS**

**ASSUMPTION**

**Department of Revenue** officials stated that this legislation would allow the Kansas and Missouri Metropolitan Culture District to submit the question of imposing a tax to the voters. Officials assume if voters would approve the imposition of a tax, the tax would be collected at the local level and would have no fiscal impact to the Department of Revenue.

Officials of the **Jackson County Sports Complex Authority** assumes that by adding the word sports to the definition of "cultural activities", would allow funds of the Metropolitan Cultural District to be spent on improving facilities maintained by their authority.

Officials of the **Kansas City Managers Office** stated that this proposal would change the Kansas and Missouri Metropolitan Culture District by expanding the definition of "cultural activities" to include "sports" and expanding the definition of "cultural facilities" to include "sports facilities". This change would allow any future bi-state sales tax to aid in the funding of capital improvement projects at sports facilities within the Metropolitan Culture District which benefit the District as a whole.

Because this particular sales tax is remitted to counties, the City of Kansas City, Missouri would not directly receive any revenues from this bill. However, Kansas City benefits from improvements to its facilities and from the increased ability to make its facilities more attractive to the public and to users of the facilities. The tax continues to be limited to .25%. Any new proposed tax could not be used for sports facilities alone and no vote could be submitted to the voters within the Metropolitan Culture District prior to January 1, 2002. At this time, the city does not have information regarding potential revenues. Revenues would depend on the rate of the tax and the length of the collection period. Officials assume no direct fiscal impact to the city's funds.

Officials of the **Office of the Jackson County Executive** did not respond.

**Oversight** assumes the provisions in this proposal are permissive and any additional costs to the Kansas and Missouri Metropolitan Cultural District on sporting facilities would be incurred as a result of Metropolitan Cultural District Board actions. Any tax allowed by this proposal would require action by the local governing body and would require voter approval. Therefore, Oversight assumes no direct fiscal impact to local governments.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This act makes changes to the Kansas & Missouri Metropolitan Cultural District Compact. The changes to both Missouri and Kansas law are identical.

The definition of "cultural activities" is expanded to include sports. The definition of "cultural facilities" is expanded to include facilities used for sports. This act also specifies approved election days for new tax levies with the provision that no new tax levy can be submitted to voters before January 1, 2002. Tax levy votes could not be used exclusively or dedicated to only sports or sports facilities.

This act expands the membership of the Board of Directors of the Metropolitan Culture District by two. The two new directors will be from Wyandotte County, Kansas. The change is necessary due to recent government consolidations between Kansas City, Kansas and Wyandotte County which would have resulted in Kansas losing two seats on the board.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Missouri Department of Revenue  
Jackson County Sports Complex Authority  
Kansas City Managers Office

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive "e" at the end.

Jeanne Jarrett, CPA  
Director  
April 7, 2000